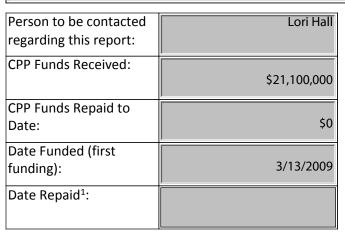
ANNUAL USE OF CAPITAL SURVEY - 2009

NAME OF INSTITUTION

(Include Holding Company Where Applicable)





RSSD:	
(For Bank Holding Companies)	1082209
Holding Company Docket Number:	
(For Thrift Holding Companies)	
FDIC Certificate Number:	
(For Depository Institutions)	16604
City:	ci co i i
	Sheffield
State:	
	Alabama

¹If repayment was incremental, please enter the most recent repayment date.

American taxpayers are quite interested in knowing how banks have used the money that Treasury has invested under the Capital Purchase Program (CPP). To answer that question, Treasury is seeking responses that describe generally how the CPP investment has affected the operation of your business. We understand that once received, the cash associated with TARP funding is indistinguishable from other cash sources, unless the funds were segregated, and therefore it may not be feasible to identify precisely how the CPP investment was deployed or how many CPP dollars were allocated to each use. Nevertheless, we ask you to provide as much information as you can about how you have used the capital Treasury has provided, and how your uses of that capital have changed over time. Treasury will be pairing this survey with a summary of certain balance sheet and other financial data from your institution's regulatory filings, so to the extent you find it helpful to do so, please feel free to refer to your institution's quarterly call reports to illustrate your answers. This is your opportunity to speak to the taxpayers in your own words, which will be posted on our website.

What specific ways did your institution utilize CPP capital? Check all that apply and elaborate as appropriate, especially if the uses have shifted over time. Your responses should reflect actions taken over the past year (or for the portion of the year in which CPP funds were outstanding).

increased lending, please describe the major type of loans, if possible (residential mortgage loans, commercial mortgage loans, small business loans, etc.).	Bank Independent's Home Equity Real Estate Loans have grown 19% since receipt of the CPP funds.
Increase securities purchased (ABS, MBS, etc.).	
Make other investments	
Increase reserves for non-performing assets	Bank Independent's Allowance for Loan Losses increased 29% since receipt of the CPP funds.

X	Reduce borrowings	Bank Independent had \$15MM of Federal Home Loan Bank Fixed Rate Advances mature since receipt of the CPP funds that were not replaced with additional borrowings.
		receipt of the CFF funds that were not replaced with additional borrowings.
	Increase charge-offs	
	0	
<i>,</i> ,	Purchase another financial institution or purchase assets from another financial	In August 2009, BI acquired Regions Interstate Billing Service from Regions Bank. The acquisition being accretive to earnings will allow us to build capital & pay back the CPP funds quicker than
	institution	planned. The CPP funds made this acquisition possible without limiting other growth opportunities.
• •		BI's Tier 1 Capital Ratio of 10.09% & Total Risk Based Capital Ratio of 13.55% are well above the Regulatory minimum. Holding the CPP funds as a non-leveraged increase to total capital protects
	capital	the Bank against unforeseen losses and allows the Bank to take advantage of strategic opportunities.

	What actions were you able to avoid because of the capital infusion of CPP funds?
	None.
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What actions were you able to take that you may not have taken without the capital infusion of CPP funds?
Regions Interstate Billing Service acquisition.

Please describe any othe	er actions that you wer	re able to undertake	with the capital inf	usion of CPP funds	5.
None.					

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 1505-0222. The time required to complete this information collection is estimated to average 80 hours per response.